(b) and (c) The Competition Commission of India while seeking clarity on the basis of which the figure of 300 gms. for the monopoly segment of letter mail has been arrived at, has inquired whether any detailed study of the cost structure of Department of Posts has been undertaken to determine the level of X-efficiency and to assess the extent of the present burden on the Department on account of USO.

The Commission has also sought clarity on why the likely deficit in catering to inaccessible areas and uneconomical routes cannot be met through cross-subsidization within the monopoly segment assigned to Department of Posts.

The draft proposal to amend the Indian Post Office Act, 1898 envisages that the Central Government may, by notification, specify the terms and conditions of the USO and its applicability to the registered service providers.

Indian Post Office (Amendment) Bill

1040. SHRI B.K. HARIPRASAD: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Competition Commission of India (CCA) has found the provisions in the draft Indian Post Office (Amendment) Bill barring courier firms from carrying articles weighing less than 300 gms. as violative of the spirit of competition;

(b) whether the category of articles weighing less than 300 gms. accounts for 95 per cent of all mailed correspondence in the country; and

(c) whether the Commission has contended that such a move would foster State monopoly and deny a level playing field for the private sector courier firms?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) The Competition Commission of India while welcoming the move of the Department of Posts to dilute the exclusive right of conveyance of letters has commented on the fact that no option is provided to consumers for using any alternative service providers for letters below the 300 grams limit which many other countries have done subject to payment of higher charges.

Section 4 of the existing Indian Post Office Act, 1898 confers exclusive privilege on the Central Government for conveying letters with some exceptions. The present weight limit of the letter is 2000 grams in individual cases. The Department of Posts proposed to bring down this weight limit to 300 grams under exclusive privilege.

(b) No survey has been conducted by the Department of Posts to ascertain whether the category of articles weighing less than 300 grams accounts for 95 per cent of all mailed correspondence in the country.

(c) The Commission has expressed its concern that due to economies of scale and economies of density in postal services as also its omnipresence through out the country, the dominant position of Department of Posts may be used to undermine competition in related services through its monopoly position in the major segment.

The Draft Amendment Bill which proposes to amend the Indian Post Office Act, 1898 envisages the setting up of an independent Mail Regulatory and Development Authority for ensuring a level playing field in the mail sector for all service providers. The proposed amendment also provides for setting up of an independent Appellate Tribunal for redressal of grievances of service providers.

Call drops and bad connectivity due to interconnection

1041. SHRI VIJAY J. DARDA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that TRAI has rapped BSNL for high level of congestion of calls from networks of private mobile operators to its point of interconnection resulting in call drops and bad connectivity;

(b) if so, whether any study has been made to find out exact position, as otherwise any low grade of service to mobile telephone users will discourage use of this service especially in rural areas;

(c) whether there has been any delay on the part of BSNL in provisioning of one leased line on which 30 simultaneous calls can be made; and

(d) the steps have been take to streamline the systems so that, such a situation is not allowed to linger on thus putting adverse effect on the service to mobile users?